GOVERNMENT OF INDIA
FINANCE
LOK SABHA

STARRED QUESTION NO:478
ANSWERED ON:24.08.2001
GOVERNMENT FINANCES
NEDURUMALLI JANARDHANA REDDY;SHYAMA SINGH

Will the Minister of FINANCE be pleased to state:

(a) whether the Government are aware that there has been an all round deterioration in the finances in the first quarter of the current financial year in comparison to the corresponding period of last year;

(b) if so, the factors responsible for such an all round deterioration in the finances of the Union Government;

(c) whether the Government have taken/propose to take steps to improve the financial position in the next few months;

(d) if so, the details thereof?

Answer

FINANCE MINISTER (SHRI YASHWANT SINHA)

(a) to (d) : A statement is laid on the Table of the House.

Statement referred to in the Lok Sabha Starred Question No.478regarding Government Finances by Shri N. Janardhana Reddy and Smt. Shyama Singh for answer on 24.8.2001.

(a) & (b): The gross fiscal deficit of the Central Governmentduring the period April-June, 2001, at Rs.42198 crorewas 36.3 per cent of the budgeted estimate of 2001-02 compared with Rs.25073 crore, constituting 22.5 per centof the budgeted amount for the corresponding period last year. The higher fiscal deficit during April-June, 2001 mainly reflects contraction in netrevenue receipts after devolution of Central taxes to the States and also front loading of certain expenditure including advances to States.

(c) & (d): The trends in the Central Government finances areclosely monitored, kept under constant review and appropriate measures are taken in the light of emerging trends as and when necessary.